



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

ARNOLD SCHWARZENEGGER, GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

December 22, 2003

Honorable Wesley Chesbro, Chair
Joint Legislative Budget Committee
Senate Budget and Fiscal Review Committee

Honorable Jenny Oropeza, Chair
Assembly Budget Committee

Honorable Dede Alpert, Chair
Senate Appropriations Committee

Honorable Darrell Steinberg, Chair
Assembly Appropriations Committee

Control Section 4.10—Revisions to Executive Order 03/04 - 51

On November 3, 2003, the Legislature was notified that the Department of Finance had completed its review of reduction plans and that the requirements of Control Section 4.10 would be met. In addition, a list was provided that contained changes to appropriations that would be implemented in a pending executive order.

Since the November 3 notification, we have identified that a few reduction plans contained errors, which will require the following changes to the pending executive order. These changes will affect four departments, and will affect only special fund appropriations.

Department	Item Number	Approved Reductions to Appropriations (November 3)	Revised Amount
Board of Equalization	0860-001-0004	-\$2,882	-\$764
Board of Equalization	0860-001-0022	-\$37,094	-\$27,869
Board of Equalization	0860-001-0061	-\$432,772	-\$282,389
Board of Equalization	0860-001-0070	-\$12,368	-\$10,934
Board of Equalization	0860-001-0080	-\$9,146	-\$5,086
Board of Equalization	0860-001-0230	-\$46,429	-\$13,953
Board of Equalization	0860-001-0320	-\$4,863	\$0
Board of Equalization	0860-001-0387	-\$8,265	-\$2,925
Board of Equalization	0860-001-0439	-\$41,186	-\$18,295
Board of Equalization	0860-001-0465	-\$5,003	-\$1,948
Board of Equalization	0860-001-0623	-\$45,629	-\$17,099
Board of Equalization	0860-001-0965	-\$43,106	-\$1,254
Board of Equalization	0860-001-3015	-\$7,385	-\$6,559
State Treasurer's Office	0950-501-0995	-\$897,096	\$897,096
California School Financing Authority	0985-001-6040	\$0	-\$22,134
Student Aid Commission	7980-001-0784	-\$249,357	\$0
Total		-\$1,593,224	\$735,244

In addition, various reduction plans have been revised to change the number of positions that will be abolished and the amount of reduction necessary for departments to meet their own employee compensation increases.

With these adjustments, the requirements of Control Section 4.10 will still be met. Specifically, reduction plans will:


- Realize total savings including appropriation reductions of \$1,089.1 million, instead of the previously disclosed \$1,096.7 million.
- Reduce appropriations for 2003-04 by a total of \$424.8 million, including reductions to General Fund appropriations of \$181.1 million, instead of the previously disclosed \$427.1 million including reductions to General Fund appropriations of \$181.1 million.
- Abolish 9,313.0 positions, instead of the previously disclosed 9,277.0 positions, which when added to the adjustments calculated for salary concessions and reductions to personal services contracts will total the equivalent of 16,187.9 positions, instead of the previously disclosed 16,151.9 positions.

Attached to this notification letter are revisions to the summary sheets reflecting the reductions for each department by program and/or activity area that were previously provided.

To conserve paper and reduce costs, we are providing a paper version of the attachments to only the addressees of this letter. All other parties receiving copies of this letter will receive a CD-ROM with the positions detail in lieu of receiving a printed report.

If you have any questions please call Bob Sands, Principal Program Budget Analyst at (916) 445-3274.

Sincerely,

Original Signed by:
Michael C. Genest
DONNA ARDUIN 
Director

Attachments

cc: On following page